MORGAN COUNTY WATER DISTRICT

408 Prestonsburg St West Liberty, KY 41472 Phone: (606)743-1204 Fax: (606)743-9585 Manager: Barbara Stacy Board Members: Roy Collett Holli Litteral Tony Campbell Bill Holbrook Donnie Gunnell

June 26, 2006

Beth O'Donnel, Executive Director Public Service Commission 211 Sower Blvd P. O. Box 615 Frankfort, KY 40602-0615

RE: Case No. 2006-00204

RECEIVED
JUL 5 2006

PUBLIC SERVICE COMMISSION

Dear Ms. O'Donnell:

This is to officially notify you that we have our pre-closing scheduled to sign all the paperwork for Phase 11 and we anticipate the contractor will begin work on this project within the next week.

We will follow up with the other information you requested as it becomes available.

If you have questions, please advise.

Sincerely,

Barbara L. Stacy

Manager